



# Memorandum

**TO:** HONORABLE MAYOR AND  
CITY COUNCIL

**FROM:** Katy Allen

**SUBJECT: STREET LIGHTS  
NEIGHBORHOOD ENHANCEMENT**

**DATE:** 03-10-04

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Approved

Date

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Council Districts: 1, 3, 5

SNI: Washington, Winchester,  
Delmas Park

## **RECOMMENDATION**

Report on bids and award of contract for the Street Lights: Neighborhood Enhancement Project to the low bidder, San Jose Signal Electric Construction Inc., in the amount of \$125,000, and approval of a contingency in the amount of \$12,500.

CEQA: Exempt, PP01-02-023.

## **BACKGROUND**

This Neighborhood Enhancement Project involves the installation of new street lights and the upgrade of existing lights on Essex Way, McLellan Street and Cathay Drive. The Essex Way and McLellan Street locations are within the Winchester and Washington Strong Neighborhood Initiative areas respectively. This project also involves the installation of new street lights and the upgrade of existing lights on Lakehouse Street, Josefa Street, and Willis Avenue in the Delmas Park Strong Neighborhood Initiative Area.

The improvements on Essex Way, McLellan Street and Cathay Drive were identified through citizen requests and are listed in the street light request backlog. The locations in the Delmas Park Neighborhood were defined and prioritized by Parks, Recreation and Neighborhood Services Department staff and neighborhood residents. The locations of these street lights improvements are shown on location maps in Attachments 1 and 2.

The project provides 15 new street lights and 13 upgrades of existing street lights on Essex Way, McLellan Street and Cathay Drive. The project also provides 9 new street lights and 15 upgrades of existing street lights on Lakehouse Street, Josefa Street, and Willis Avenue.

Construction is scheduled to begin in May with completion in August 2004.

## **ANALYSIS**

Bids were opened on February 26, 2004 with the following results:

<u>Contractor</u>	<u>Bid Amount</u>	<u>Variance Amount</u>	<u>Over/(Under) Percent</u>
Brown and Fesler, Inc. (Livermore)	\$167,728	\$19,788	13
<b>Engineer's Estimate</b>	<b>147,940</b>	---	---
Pacific Electric Company (San José)	138,100	(9,840)	(7)
San Jose Signal Electric Construction, Inc. (San José)	125,000	(22,940)	(15)

The low bid submitted by San Jose Signal Electric Construction, Inc. is 15 percent under the Engineer's Estimate. Staff considers this reasonable for the work involved.

Council Policy provides for a standard contingency of ten percent on public works projects involving street lighting. The standard contingency is appropriate for this project.

## **PUBLIC OUTREACH**

Staff has distributed preliminary engineering notices in English and in Spanish to the residents near the project locations and responded to comments and questions regarding the project. Staff will also attend community meetings upon request.

To solicit contractors, this project was listed on the City's Internet Bid Line and advertised in the *San José Post Record*. Bid packages for all Department of Public Works construction projects are provided to various contractor organizations and builder's exchanges.

## **COORDINATION**

This project has been coordinated with residents, the Strong Neighborhoods Initiative, the Pacific Gas and Electric Company, the Departments of Parks, Recreation and Neighborhood Services, Transportation, Finance, and Planning, Building and Code Enforcement, the City Attorney's Office and the City Manager's Budget Office.

## **COST IMPLICATIONS**

1. AMOUNT OF RECOMMENDATION: \$125,000

**2. COST OF PROJECT:**

Project Delivery	\$ 40,500
Construction	125,000
PG&E Services	8,000
Contingency	<u>12,500</u>
<b>TOTAL</b>	<b>\$186,000</b>

**3. SOURCE OF FUNDING: 001 – General Fund**

441 – Community Development Block Grant Fund

465 – Construction Excise Tax Fund

- 4. FISCAL IMPACT:** This project is consistent with the Council-approved Budget Strategy Economic Recovery section in that it will spur construction spending in our local economy. Minor General Fund operating and maintenance costs will be generated by this project in the amount of approximately \$2,700 a year, beginning in 2004-2005.

**BUDGET REFERENCE**

Fund #	Appn #	Appn. Name	RC #	Total Appn.	Amt. for Contract	Adopted Budget Page	Last Budget Action (Date, Ord. No.)
001	6447	Street Lighting – Mayor’s Message	130455	64,000	45,000	Page 794	10/14/03 Ord. No. 26997
441	4758	Street Lighting: Neighborhood Enhancement	130275	77,275	40,000	Page 736	
465	5356	Street Lighting	130245	769,000	40,000	Page 855	10/14/03 Ord. No. 26997
		<b>Total</b>		<b>910,275</b>	<b>125,000</b>		

**CEQA**

Exempt, PP01-02-023.

KATY ALLEN  
Director, Public Works Department